



Department of Transformation and Shared Services Office of Personnel Management

Policy Title: Annual Leave

Policy Number: 45

Authority: Ark. Code Ann. § 21-4-203, § 21-4-204, and § 21-4-205

Effective Date: August 5, 2025

Annual leave is vacation time with pay but does not include compensatory time. A state employee who works a minimum of 1,500 hours per year in a regular salary position accrues annual leave every month.

State Entities Excluded from the Uniform Attendance and Leave Act

1. Emergency, hourly, intermittent, extra help, and per diem employees;
2. The elected constitutional officers of the state and their employees;
3. The General Assembly and its employees, including employees of the Bureau of Legislative Research of the Arkansas Legislative Council and the Division of Legislative Audit;
4. Members of the Arkansas Supreme Court, Circuit and Chancery Courts, Prosecuting Attorneys and the Administrative Offices of the Courts;
5. Arkansas Highway and Transportation Department; and
6. All administrative, academic, or other non-classified employees of state supported institutions of higher education.

Accrual Rates

Full-time employees accrue leave at the rates shown in the timetable listed below. Employees who work less than full-time per year accrue annual leave in the same proportion as time worked. For example, employees who work half-time would receive half of the annual leave accrual shown on the timetable. Employees must have completed full years of employment before movement to the next higher accrual rate. For example, an employee would not move to the second level of annual leave accrual rate until they had completed three (3) full years of employment and were starting their 4th year.

Years of Employment	Monthly	Annually
Through 3 years (1 through 36 months)	1 Day (8 hours)	12 Days
Starting year 4 through 5 years (37 through 60 months)	1 Day, 2 Hours (10 hours)	15 Days
Starting year 6 through 12 years (61 through 144 months)	1 Day, 4 Hours (12 hours)	18 Days
Starting year 13 through 20 years (145 through 240 months)	1 Day, 6 Hours (14 hours)	21 Days
Over 20 years (241+ months)	1 Day, 7 Hours (15 hours)	22.5 Days

Employees who are rehired after a break in service will have their previous service time brought forward only in completed years of service for the purpose of determining their leave accrual date. This means that any previous service time of less than a year will not be included until any later service time is added to make a complete year. An employee's leave accrual date is calculated using the [OMNI Date Calculation Worksheet](#). The leave accrual formula considers the original hire date in a regular position, the termination date from the



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regular position, any other rehire and termination dates in a regular position, and the latest hire date. The leave accrual date formula rounds down to the nearest whole number.

Annual leave accrued during a calendar month is not earned by an employee until the end of the month, and the leave must be earned before it can be used. Employees are prohibited from borrowing from anticipated future accruals. If an employee terminates state employment before the last working day of the month, they will not receive the terminating month's annual leave.

Annual leave is approved on the basis of workdays, not calendar days. Non-workdays, such as holidays and weekends, are not charged against an employee as annual leave. The minimum annual leave amount an employee can use is 15 minutes. An employee may request to use accrued annual leave at any time and the agency may grant the leave request at such time that will cause the least disruption to the efficient operation of the agency. Each agency is responsible for establishing leave records and internal procedures, including how to request leave, how leave is approved, and how leave can be used. All employees shall be informed of statewide policy as well as any internal policy and procedures.

Employees continue to earn annual leave at their normal accrual rate when they are on paid leave. An employee will not earn annual leave when in a leave without pay status for 10 or more cumulative days (80 or more hours) within a calendar month.

An employee, except for a critical-need employee or a fire and emergency service employee, is prohibited from carrying over to the next calendar year more than 30 days (240 hours) of annual leave. However, accrued annual leave may exceed 30 days during the calendar year. Accrued birthday and holiday leave balances are not included in the total annual leave calendar year carryover.

Military Service Credit

A state employee with prior military service shall receive credit for the service only for determining the rate at which the employee accrues annual leave. However, an employee shall not receive military service credit for active-duty service accrued while concurrently serving as a state employee and military member. A current Arkansas National Guard or military reserve unit member shall not receive military service credit for any career points accrued during a year when the member was a state employee for any part of that year.

The military service credit is only applicable if the employee:

1. Retired from military service;
2. Was honorably discharged from military service;
3. Currently serves in the Arkansas National Guard and served in the Arkansas National Guard before employment with the State;
4. Served in the Arkansas National Guard before employment with the State;
5. Currently serves in a military reserve unit and served in a military reserve unit before employment with the State; or
6. Served in a military reserve unit before employment with the State.



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Required documentation—An employee must provide their department with written documentation of their military service.

- An employee who retired or was honorably discharged must provide the discharge documentation.
- Former or current members of the Arkansas National Guard or military reserve unit must provide documented proof of service reflecting their years of military service before state employment.

Documentation includes one of the following:

- NGB Form 23A
- DA Form 5016
- Career Retirement Credit Report
- Annual Statement of Service History
- Air National Guard/United States Air Force Reserve Point Credit Summary Inquiry; or
- Reserve Point Statement

Critical-need Employee

A critical-need employee is a person employed by one of the following departments or divisions in a position or classification that is required to be staffed by the agency 24 hours a day, 7 days a week:

1. Department of Corrections
2. Department of Health
3. Department of Human Services
4. Division of Emergency Management
5. Division of Arkansas State Police
6. Department of Veterans Affairs
7. Department of Agriculture
8. Department of the Military

It is the responsibility of the agency to designate an employee as critical-need and notify the Office of Personnel Management (OPM) of the designation.

A critical-need employee is prohibited from carrying over to the next calendar year more than 45 days (360 hours) of annual leave. Accrued annual leave may exceed 45 days during the calendar year. Accrued Birthday and Holiday leave balances are not included in the annual leave calendar year carryover.

Fire and Emergency Service Employee

A fire and emergency service employee of the State Military Department who works a regularly scheduled shift of more than 47 hours per week is entitled to annual leave with full pay computed on the basis of the following schedule for each complete year of service with the department (Employees must have completed full years of employment before movement to the next higher accrual rate):



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Starting year 6 through 12 years (61 through 144 months)	2 Days (16 hours)	24 Days
Starting year 13 through 20 years (145 through 240 months)	2 Days, 3 Hours (19 hours)	28.5Days
Over 20 years (241+ months)	2 Day, 5 Hours (21 hours)	31.5 Days

A fire or emergency service employee of the State Military Department is prohibited from carrying over to the next calendar year more than 45 days (360 hours) of annual leave. Annual leave may exceed 45 days during the calendar year.

Excess Annual Leave

Any annual leave that exceeds the allowable carryover amount at the end of the calendar year will be deposited into the OPM Catastrophic Leave Bank unless the employee submits a written request to their HR Office requesting to have the excess annual leave forfeited in lieu of it being deposited into the OPM Catastrophic Leave Bank.

For critical-need employees only: Agencies are responsible for monitoring the annual leave balance for critical-need employees. An agency may request a critical-need employee to use annual leave to avoid the balance exceeding 45 days. The agency may designate one or more specified dates for the employee to use annual leave, and the employee shall be notified at least 14 days before the specified date.

If the annual leave balance exceeds 45 days at the end of the calendar year, and the employee's written or electronic requests to use annual leave were denied in writing due to staffing needs of the agency, the annual leave that was denied shall be paid as a lump sum. The lump sum total cannot exceed the value of the cumulative annual leave that exceeds 45 days at the end of the calendar year.

Leave Transfer and Payout

Employees transferring without a break in service between state agencies that are covered by this policy will retain all accumulated annual leave.

When an employee terminates employment, they are eligible to receive a payout of their annual leave balances up to 30 days, inclusive of birthday and holiday leave balances. The payout for fire and emergency service employees and critical-need employees cannot exceed 45 days, inclusive of birthday and holiday leave balances. A department may have special language in their appropriation act that allows for other leave payout amounts. Refer to [OPM Policy #54](#) for more information about leave transfer and leave payout.